



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the House Committee on Finance
Wednesday, April 4, 2018 at 2:30 P.M.
Conference Room 308, State Capitol**

RE: SENATE BILL 3001 SD2 HD1 RELATING TO ENERGY

Chair Luke, Vice Chair Cullen, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** SB 3001 SD2 HD1, which authorizes the Hawaii Technology Development Corporation to provide grants to certain businesses conducting research and development of alternative energy projects.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The Chamber supports the State's efforts to promote and foster innovation research and development in alternative energy in Hawaii. The Chamber supports this legislation provided that it offers adequate funding and does not adversely impact HTDC's priorities in the Executive Budget.

Thank you for the opportunity to testify.

SB-3001-HD-1

Submitted on: 4/3/2018 11:32:16 AM

Testimony for FIN on 4/4/2018 2:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
ann chung	Navatek	Support	Yes

Comments:

Dear Chair Luke and members of the FIN Committee:

Navatek strongly supports SB3001 SD2 HD1 WITH REQUESTED AMENDMENTS. Companies doing critical research in clean energy technologies are bringing in large numbers of federal funding to Hawaii and creating the high-skilled, high-paying jobs our workers need. This program supports and strengthens these efforts to further encourage high-impact, clean energy solutions not only proving that Hawaii is an ideal laboratory for the development of clean energy technologies but also creating economic growth and jobs.

We respectfully request the following amendments for consistency with the original program.

-Page 1, Line 5 – ADD “Office of Naval Research” after the word Defense

-Page 2, Line 6 – ADD “Office of Naval Research” after the word Defense.

We urge you make these amendments and to pass this bill.

Mahalo for this opportunity to testify.



Written Statement of
DR. PATRICK K. SULLIVAN
PRESIDENT/CEO OCEANIT

Before the
HOUSE COMMITTEES FINANCE

April 4, 2018
1:30 p.m.
State Capitol, Conference Room 308

SB3001 RELATING TO ENERGY

To: Representative Sylvia Luke, Chair, Representative Ty J.K. Cullen, Vice Chair,
and Members of the Committees

From: Dr. Patrick K. Sullivan, President/CEO

Re: SB3001

Honorable Chairs, Vice-Chairs and Committee Members:

Thank you for the opportunity to offer comments for **SB3001**.

Hawaii's Alternative Energy and Research Development Program is an integral part in making the entire state energy sustainable. Hawaii is fortunate with its diverse resources such as solar, wind, hydro, bioenergy and geothermal which is ideal for the development of clean energy. The continuation of this program is important for Hawaii's economy as it will allow local companies to continue to do their research and development in renewable energy. In addition, it will keep high-paying, high-skilled jobs in Hawaii, furthering the State's commitment to renewable energy and supporting business.

Oceanit offers comments to include the Department of Defense Air Force Research Laboratory.

Statement of
Duke Hartman, P.E.
Vice President, Business Development
Makai Ocean Engineering, Inc.
before the
COMMITTEE ON FINANCE
Wednesday, April 4, 2018
2:30 p.m.
State Capitol, Conference Room 308
In consideration of
SB3001 SD2 HD1
RELATING TO ENERGY

Chair Luke, Vice Chair Cullen, and members of the Committee on Finance.

Makai Ocean Engineering, Inc. **STRONGLY SUPPORTS SB3001 SD2 HD1** that re-establishes the Alternative Energy Research and Development Pilot Program and appropriates funds for the Program. In addition, **we respectfully request the following amendments** for consistency with the original program.

- Page 1, Line 5 – ADD “Office of Naval Research” after the word Defense
- Page 2, Line 6 – ADD “Office of Naval Research” after the word Defense.

Makai is a locally-owned and operated technology company based in Hawai'i for 45 years. One of the driving reasons behind Makai's existence is to help Hawai'i achieve energy independence using clean, alternative and renewable resources.

Hawai'i is blessed with abundant natural resources such as wind, solar, geothermal, hydro, biofuels, and ocean energy. While wind and especially solar contributions to the energy portfolio are now commercial and have grown significantly, other options like ocean energy have the potential to significantly contribute to the supply of base load / firm / constant renewable power, but are worryingly underrepresented. These alternative options are at the same place solar and wind was 20 years ago, and require R&D to reach the same level of maturity and commercialization.

Makai is currently performing R&D and working towards commercialization of ocean thermal energy conversion (OTEC) and at the Natural Energy Laboratory of Hawai'i Authority (NELHA) in Kailua-Kona. Makai employs eight highly-paid, highly-skilled engineers and scientists in the high tech / renewable energy field in rural Kailua-Kona. This program has achieved a huge milestone of connecting to the grid, making Hawai'i the home of the world's largest operational OTEC plant, and the clear leader in the emerging market of ocean thermal energy. Plans are in the works for new developments to move this technology even further.

Governor David Ige was present to dedicate the power plant and ‘flip the switch,’ and in his keynote address he said, “One big difference with OTEC is that it is a firm power source; it



allows us to generate electricity consistently... and in the evening hours when other renewable sources are not available, which really is the key to a 100% renewable future.”

With the help of programs like this bill, Makai has been able to secure additional competitively awarded federal funding from the U.S. Navy’s Office of Naval Research, and bring home national honors, such as the Small Business Administration’s Tibbetts Award. This national award recognizes the very best in small innovative companies in the country whose technologies have made a strong economic impact in terms of high paying jobs, and demonstrating success in actually commercializing federal R&D and increasing taxable revenue for the state.

This is why we **STRONGLY SUPPORT SB3001 SD2 HD1, with the requested amendments above**. Not only would this program develop alternative energy technology for our 100% renewable future, it would enable our tech industry to compete and win more federal funds for technology development and support high-paying, highly-skilled professional jobs for our keiki here at home.

Thank you for the opportunity to offer these comments.



To: The House Committee on Finance
From: Brodie Lockard, 350Hawaii.org, 808-262-1285
Date: Tuesday, 4/3/18

In support of SB3001 SD2 HD1

Dear Chair Luke, Vice Chair Cullen and Committee members,

I am the founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org supports SB3001 SD2 HD1.

Alternative energy research and development in Hawaii is a crucial piece of the puzzle to achieve our 100% clean energy goal. We cannot have too many clean energy solutions.

Thank you for this opportunity to submit testimony.

Brodie Lockard, Founder
350Hawaii.org

SB-3001-HD-1

Submitted on: 4/3/2018 10:09:38 AM

Testimony for FIN on 4/4/2018 2:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kacey Lock	Individual	Support	No

Comments:

SB-3001-HD-1

Submitted on: 4/3/2018 10:44:57 AM

Testimony for FIN on 4/4/2018 2:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Gary Shimosono	Individual	Support	No

Comments:

SB-3001-HD-1

Submitted on: 4/3/2018 10:47:45 AM

Testimony for FIN on 4/4/2018 2:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Susan Matsuura	Individual	Support	No

Comments:

SB-3001-HD-1

Submitted on: 4/3/2018 10:50:48 AM

Testimony for FIN on 4/4/2018 2:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Eric Schiff	Individual	Support	No

Comments:

I strongly support SB3001.



Written Statement of
Robbie Melton
Executive Director & CEO
Hawaii Technology Development Corporation
before the
House Committee on Finance
Wednesday, April 4, 2018
2:30 p.m.
State Capitol, Conference Room 308



In consideration of
SB3001, SD2, HD1
RELATING TO ENERGY

Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance.

The Hawaii Technology Development Corporation (HTDC) **supports** SB3001, SD2, HD1 that Authorizes the Hawaii Technology Development Corporation to provide grants to certain business conducting research and development of alternative energy projects.

As part of HTDC's vision to create 80,000 new innovation jobs in Hawaii earning \$80,000 or more by 2030, HTDC supports initiatives aimed at promoting technology and innovation jobs. The measure reestablishes an expanded version of the matching grant program originally created under Act 159, Session Laws of Hawaii 2015.

In FY17 HTDC awarded \$950,000 to 3 companies who secured \$10.2 million in federal contracts and projected 45 new jobs. HTDC believes the program supports the growth of companies with innovative renewable energy technologies in the State and moves Hawaii closer to its clean energy goal of 100 percent renewable energy by 2045.

We support this initiative as long as it does not replace our priorities requested in the Executive Budget. We respectfully request correction of the defective effective date. Thank you for the opportunity to offer these comments.

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SB-3001-HD-1

Submitted on: 4/3/2018 2:31:10 PM

Testimony for FIN on 4/4/2018 2:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	the Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i	Support	No

Comments: